APŘ 1 4 1954

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Info: COM, CADRAIN

Cperational/Cast/G.RBCsTDSATL/CADSOIT

Final CART Progress Report on CARBORYLEGATE

D. 39KLS-2874 KET: A. 8084-12717 G. HGBA-12953 L. LOM-12656 H. 5GHA-13131 B. 10E4-12716

C. 52814-2873 F. FOBA-12657 I. EQUA-12955

STMOPHIS: This final Chaf report on the CaRECHTURATE operation covers the period from the submission of the last progress report (references "A" and "B", dated 18 Herch 1954) until the delivery of C4MBOHYDRATE into the exclusive control of the CAURAIN/CAUROIT case officer, effective 2 April 1956, and touches upon matters directly affecting the security of CADROLT.

1. Unfortunately, the wave of indignation caused by the summary treatment of fermer members of the inderstanding upper Brandschurg (see paragraph 5, reference "A") did not subside, and on 2 Herch 1956 CARBONTHEATE reported three members of the group had again visited ENDARIT to enlist the services of that organization in their behalf. It seemed that when the original organization was disbanded, they were referred to another employer, whose arrangements on their behalf have not been examplary. CARBONYUNATE stressed to these discontents that precipitate action on their part could serve no useful purpose and would quite probably endanger their ow: futures, as well as those of other former members of the group who also continue to reside in the DUR.

2. Subsequent to the appearance of these members of the original group, the situation remained dormunt for a period of weeks until on 30 March 1954 From SURACHTSTCK of the above-mentioned trio presented a detailed brief to CARBONTDEATE on the ill-treatment accorded to herself and her companions. Among other points, the complaint stressed that she and her friends had been loyal workers, risking their safety on repeated

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conssions, only to be discarded as excess baggare when they had outlived their immediate usufulness. Turning to her oun immediate situation, whe remarked that because her official dessiar in the SUR bears a motation to the effect that she is not entirely "progressive and demogratio", her chances of finding a position there are minimal; at the same time, an ailing mother is a major deterrent to her precipitate departure from the SUR, we same sort of apport is required to sustain her until her personal situation can in some way be resolved. A further complication is presented in the person of Franz KICHTER, her colleague in conspiratorial activities, whose paneity of financial resources is becoming a real cause for concern, times his activities have already caused his brief detention by the Sast Jone authorities. He is none-theless anxions to undertake accitional baserdous missions in order to earn sufficient funds to support himself, but Fran SURACHTSIGE quite correctly points out that should he be apprehended flagrants delicte, he might well under duress betray his co-conspirators of the Brandshburg organization.

- 3. The presentation of a detailed brie; and the implied throat of a more public airing of the whole affair was called to the attention of the level case officer who was formerly handling the transcending group. He has reported that to the best of his knowledge his direct intervention has forestailed any major disclosures by the disgrantled and trustrated dropped agents, so it is to be hoped that they will permanently subside into a state of discrete ailence which will permit the persons directly involved to resume legitimate activities and a more normal existence.
- b. It was also at the meeting on 2 March 1956 that CARBOHYDMATE first broaded the ease of Annelies Mill, the young lady whose associations with a Sessian defeator prior to his departure from the DDR had called the weath and attention of the HIS upon her head. The subsequent developments were reported in sufficient detail in references "6" through "6" to make further recepitulation at this point wholly superfluous.
- 5. On 5 March 1954 CARBORTERATE requested the case officers' thoughts on the advisability of establishing some informal burn notice for use between GADROIT and other Wowtern agencies, such as FTAS, DTLINEN, and the like, with which it has normal and frequent business. The positive merits of such a system small be to prevent the peddling of dublous intelligence products to uswitting or gullible recipients, and would enable one agency to ferrower the others. As specific cases, in point, CARBORTERATE brought ferward these examples:
- a. Alwins KLERENT has been bringing in to CADROIT the quarterly reports of the Land and foretwirtschallenimisterium, which are considered to be documents of considerable value. As the result of independent confirmation of segments of her material, CARROIT is convinced that her intelligence production is authentic, yet on the obverse of the coin is the fact that she has baken to loitering in the vicinity of the CADROIT buildings after hours, and has cultivated the friendship of certain guard personnel stationed in that



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area. Consequently, Christin has none to the conclusion that she is also a Spitual for the hast, but that she is concurrently playing both onds against the filles in order to insure her own future. There is positive evidence that she has delivered some of her reports to DILINES, which is most anxious to enlist her services, yet Christin is unwilling to let her go because of the apparent value of her deliveries. In order to resolve the situation, it was worked out that she would be told to report to a pre-arranged rendesvous remote from CADROIT every three months to meet her case officer, but that except for these specified occasions, she was to remain away from the vicinity of the CaDROIT plant. Any infraction of this rule would lead to her immidiate dismissal, which she is anxious to prevent because of the small financial gratuities paid to her, and it should now be eximently clear that upon her good behavior will depend the luture course of her association with CADROIT.

b. A similar case is presented by one Kohler HE, who collaborated with CARECIT, but was concurrently involved with RIAS, unbeknownst to the former. He too was delivering significant reports to CARROIT, but to all intents and purposes was a Spitael for the East, until such time as the apparently uncartised his couble game and promptly arrested him.

had some sort of informal arrangement existed between those mestern an oricles which extertain loose and informal limison with one another, the true status of these two cases (and perhaps others like them) might have been determined carlier, and much duplication of effort avoided.

- 6. By a quirk of fate CARRORIT LATE's wife noticed during a trip to Hewkoelln that a certain France 70885. It had opened a small bistro in that section of the city. When she relayed the information to her husband, he recalled that TORPERS formerly had operated a similar institution in last Berlin to which members of the RES regularly repaired. She was held in high estem by them, whether for the quality of her products or for other reasons is not known, but intervention by senior officials of that service enabled her to gain access to her blocked West-mark accounts, and to enjoy the patronage of distinguished guests. CARRONDERETS stated that after the LINSE kidnapping certain members of the SES who actively participated in that affair frequented har installation, but that some time later she had decamped to West Berlin for reasons unknown. Since there is very little evidence on the basis of which active intervention by 808 would be appropriate, CARBONTORATE was teld to inform Abteilbay V of the police and to advise his case efficer of any pertinent information that night be forthcoming.
- 7. At the sums mosting CHRESTERATE mentioned with abvious reluctance that he had overheard one Mr. birthem of the CAUHOIT staff bragging that an important document on the 1954 plan for heavy machinery construction in the DDR would never reach the hands of CHRESTE representatives. MERGER claimed that he would forward copies to the proper officials in Bonn, but that his own copy would be eartfully sequestired in the inner recesses of his safe to provent its reaching the injuicitive PSPRIM officers. CARBORITATE referred to Mr. BERGER as a "gluebander Mationalist" and implied that the good doctor's

unrestricted loyalties do not lie with his present employers. It was unrecessary to point out that any precipitate action taken against EERGER would immediately jeopardies LARECHTERATE's position in the CARECHT organization, so the information was accepted with the resolve that all possible methods would be employed in an attempt to check its verseity, knowing full well that utmost discretion was required.

- S. A further complication in the case of Dr. Beach cropped up during the meeting held on 12 Harch 195h, at which time and SCHTERATE pointed out that a old colleague of 9500mHz from Halle had been obliged to brooms a Spiteal for the SIS. His general assignment was to approach CARRIT, with the specific instructions that he was to contact Dr. MARGER and country him for the SIS.

 BERGER was to be supplied a small camera to photograph the more significant CARROTT files, and in return was to reserve generous compensation and the assumence of handsome recognition for his services should be deen it necessary at any time to file to the DIR. In view of these directastances, NOS/CART feels it incumbest upon all concerned to scrutinise most carefully all facets of the personality of Dr. MARGER to deterrise whether or not be can be considered a continued asset for the conduct of future GADACIT operations.
- 9. The affair CALIBET reared its ugly head again on 12 March 195h when CARBORTSHATE reported that his wife had received a call requesting that a message be relayed to Grs. Fould. Each to the effect that the latter should call GaliBET as soon as possible. The direct question was put why CARBORTSHATE had not instructed FVALLERS to arrange her own channel of communication to GALIMET, to which he replied that he had not been in touch with her for some time. Be subsequently reported (16 March) that Hrs. FULLISHED had been told unsistainably that the CARBORTSHATES were no longer going to act as intercediaries for her, and CARBORTSHATES were no longer going to act as intercediaries for her, and CARBORTSHATES were no longer going to act as intercediaries for her, and CARBORTSHATES were no longer going to act as intercediaries for her, and calls of that the latter sight be informed concurring the jeopardy which such calls countitate to GARBORTSHATES present amployment.
- 10. In 16 Earch 1-5h GREENY To was able to report that Brs. FURLISHER had been able to accertain certain octails emerging the disposition of her son and CaC-Ada. This information, together with the subsequent details (30 March 195h), concerning the postal communications received from the two sen has been relayed in references "H" and "I".
- Il. There has been some agitation for the acquisition of an assistant to handle matters concerning west Burlin in CARBOHYDHATA's security effice, and on 16 March 1954 four possible candidates were presented for our consideration. Public Safety checks here revealed no derogatory information in my case, and it is to be hoped that personal interviews coupled with the requisite checks by Cabbott and KUBARE will enable CARBOHTBATE to shift much of his reutine work to the shoulders of an assistant, in order that he histelf may concentrate on more pressing matters relating to the opposition.
- 12. An interesting development concerns the offer submitted by one Georg HAIR, and later verified by Marl FIFURAS, to purchase the freedom of any person

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incarcarated in the ball or the USSa for some ranging from 50,000 to 100,000 Did best. Both of those gentlemen claimed to know an intermediary who has high connections in Karlshorst, through whom those purchases can be arranged. This unnesed third part; arranges for the release by having the requisite funds deposited with a neutral lawyer in West Burlin, and after the delivery of the person concerned, the money is then released to its claimants.

- 13. Some days later to BOHYDRATE ascertained through PIFORAS that the intermediary was one (fm) SCRL of Berlin/Milmersdorf, Abruellerstrasse 26. Asserting to ______ this same information has been called to KUBARK's attention through _____ and a report is being prepared incorporating all facets of the matter.
- 14. On 22 March 1954; CARBOHYERATE called in righteous indignation to state that photographers from Life magazine were present at UADROIT taking pictures of some of the visitors from the link. He was able to intervene at the last memont, but objected strenuously to the fact that he had received no prior varning of this arrangement, and so felt that he could not assume any responsibility for a resurity violation, should one occur. In the interim, arrangements have been made through Likeli to screen carefully all prints much are considered for publication, in order to preclude the danger of compressive to any visitors from the TE whose identifiable countenances might appear to be destined for reproduction in public media.
- 15. On 30 March 1954 CARBURIDATE was informed that the undereigned was April 1954, the GART case officer took his leave of CARBUSTURATE and his wife, and relinquished central of the operation to the CADRAIN/CADRUIT case officer.

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